BEFORE THE BOARD OF OIL, GAS AND MINING DEPARTMENT OF NATURAL RESOURCES STATE OF UTAH

---00000---

FILED

IN THE MATTER OF THE REQUEST

FOR AGENCY ACTION OF QEP

ENERGY COMPANY FOR APPROVAL

OF ENHANCED AND SECONDARY

RECOVERY OPERATIONS WITHIN THE

INITIAL CONSOLIDATED GREEN

RIVER FORMATION PARTICIPATING

AREA "A" OF THE WHITE RIVER UNIT

IN TOWNSHIP 8 SOUTH, RANGE 22

EAST, SLM, UINTAH COUNTY, UTAH, FOR AUTHORITY FOR

UNDERGROUND INJECTION OF

WATER, AND FOR CERTIFICATION AS

AN ENHANCED RECOVERY PROJECT FOR PURPOSES OF SECTION 59-5-

102(7) OF THE UTAH CODE,

ANNOTATED.

DEC 2 7 2011

SECRETARY, BOARD OF OIL. GAS & MINING

NOTICE OF HEARING

Docket No. 2012-006 Cause No. 276-01

---00000---

:

:

THE STATE OF UTAH TO ALL PERSONS INTERESTED IN THE FOLLOWING MATTER.

Notice is hereby given that the Board of Oil, Gas and Mining ("Board"), State of Utah, will conduct a hearing on WEDNESDAY, JANUARY 25, 2012, at 9:00 AM, or as soon thereafter as possible, in the auditorium of the Department of Natural Resources, 1594 West North Temple, Salt Lake City, Utah.

The hearing will be conducted as a formal administrative adjudication in accordance with the rules of the Board as set forth in Utah Administrative Code R641 et seq. and as provided for in Utah Code Ann. § 40-6-1 et seq. and Utah Code Ann. § 63G-4-101 through 601.

The purpose of the hearing will be for the Board to receive testimony and evidence regarding a Request for Agency Action that the Board enter an Order:

- 1. Approving enhanced and secondary recovery operations within the Initial Consolidated Green River Formation Participating Area "A" of the White River Unit in lands located in Township 8 South, Range 22 East, SLM, Section 3 S1/2S1/2, Section 4 Lots 2-11, S1/2NE1/4, SE1/4NW1/4, E1/2SW1/4, SE1/4, Section 9 Lots 1-3, Lots 5-7, NE1/4, NE1/4SW1/4, N1/2SE1/4, E1/2NW1/4, Section 10 W1/2NE1/4, NW1/4, N1/2SW1/4, NE1/4NE1/4; and
- 2. Approving a plan of development and operations for enhanced and secondary recovery; and
- 3. Authorizing underground injection of water in certain reservoir zones of the Green River formation; and
- 4. Granting authority to convert the existing WRU GB 14G-4-8-22 well, located in the SE1/4SW1/4 of Section 4, Township 8 South, Range 22 East, Uintah County, Utah, into the initial injection well in the enhanced and secondary recovery project with the authority to potentially add a second injection well at a later date; and
- 5. Certifying the Initial Consolidated Green River Formation Participating Area "A" of the White River Unit as an enhanced recovery project for purposes of the severance tax rate reduction provided by Section 59-5-102(7) of Utah Code Annotated; and
- 6. Providing such other relief as may be just and equitable under the circumstances.

Objections to the Request for Agency Action must be filed with the Secretary of the Board at the address listed below no later than the 10th day of the month, or two weeks before the scheduled hearing, whichever is earlier. A party must file a timely written objection or other response in order to participate as a party at the Board hearing.

Natural persons may appear and represent themselves before the Board. All other representation by parties before the Board will be by attorneys licensed to practice law in the State of Utah, or attorneys licensed to practice law in another jurisdiction which meet the rules of the Utah State Bar for practicing law before the Utah Courts.

Persons interested in this matter may participate pursuant to the procedural rules of the Board. The Request for Agency Action, and any subsequent pleadings, may be inspected at the office of the undersigned.

Pursuant to the Americans with Disabilities Act, persons requiring auxiliary communicative aids and services to enable them to participate in this hearing should call Julie Ann Carter at (801) 538-5277, at least three working days prior to the hearing date.

DATED this 27th day of December, 2011.

STATE OF UTAH BOARD OF OIL, GAS AND MINING James T. Jensen, Chairman

/s/Julie Ann Carter

Secretary to the Board

1594 West North Temple, Suite 1210

Salt Lake City, Utah 84116

(801) 538-5277

CERTIFICATE OF SERVICE

I hereby certify that I caused a true and correct copy of the foregoing NOTICE OF HEARING for Docket No. 2012-006, Cause No. 276-01 to be mailed with postage prepaid, this 27th day of December, 2011, to the following:

William E. Ward Holland & Hart LLP 222 South Main Street, Suite 2200 Salt Lake City, Utah 84101

Michael S. Johnson Assistant Attorneys General Utah Board of Oil, Gas & Mining 1594 West North Temple, Suite 300 Salt Lake City, UT 84116 [Via Email]

Steven F. Alder Assistant Attorneys General Utah Division of Oil, Gas & Mining 1594 West North Temple, Suite 300 Salt Lake City, UT 84116 [Via Email]

State of Utah School and Institutional Trust Lands Administration 675 East 500 South, Suite 500 Salt Lake City, UT 84102-2818 III Exploration Company 555 South Cole Road P.O. Box 7680 Boise, ID 83707

Michael Coulthard Bureau of Land Management Utah State Office P.O. Box 45155 Salt Lake City, UT 84145-0155

Kerr-McGee Oil & Gas Onshore LP P.O. Box 173779 Denver, CO 80217-3779

Jerry Kenczka
U.S. Bureau of Land Management
Vernal Field Office
170 South 500 East
Vernal, UT 84078

Julie Ann Cartar

CERTIFICATE OF PUBLISHED NOTICE

I hereby certify that I caused a true and correct copy of the foregoing NOTICE OF HEARING for Docket No. 2012-006, Cause No. 276-01 to be PUBLISHED in the following newspapers on the following days:

January 1, 2012:

<u>The Salt Lake Tribune</u> and <u>Deseret Morning News</u>, newspapers of general circulation in Salt Lake City and County.

January 3, 2012:

<u>Uintah Basin Standard</u>, a newspaper of general circulation in Duchesne and <u>Uintah Counties</u>.

January 4, 2011:

<u>Vernal Express</u>, a newspaper of general circulation in Uintah and Daggett Counties.

Julie Ann Cartar